



Town of Cary

Final Water and Sewer System Development Fee Study

July 7, 2023





July 7, 2023

Mr. Mike R. Franks
Financial Analysis Manager
316 N. Academy Street
Cary, NC 27513

Re: Final Water and Sewer System
Development Fee Study

Dear Mr. Franks,

Stantec is pleased to present this Final Report on the Water and Sewer System Development Fee Study that we performed for the Town of Cary. We appreciate the professional assistance provided by you and all the members of the Town staff who participated in the Study.

If you have any questions, please do not hesitate to call me at (813) 269-6010. We appreciate the opportunity to be of service to the Town and look forward to the possibility of doing so again in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Leticia Doohaluk", written over a light gray rectangular background.

Leticia Doohaluk
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Enclosure

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1. INTRODUCTION

Stantec Consulting Services Inc. (Stantec) has conducted a Water and Sewer System Development Fee Study (Study) for the Town of Cary's water and sewer systems (hereafter referred to as the "Town" or "Utility"). This report presents the results of the comprehensive Study, including background information, legal requirements, an explanation of the calculation methodology employed, and the results of the analysis.

1.1 BACKGROUND

The North Carolina General Statutes (NC G.S. 162A-201) define a system development fee as "a charge or assessment for service imposed with respect to new development to fund costs of capital improvements necessitated by and attributable to such new development, to recoup costs of existing facilities which serve such new development, or a combination of these costs." In general, system development fees are based upon the costs of major backbone infrastructure necessary to provide service to all customers, including water supply facilities, treatment facilities, effluent disposal facilities, and transmission mains.

The Town currently assesses water and sewer system development fees that are designed to recover the cost of water and sewer capacity from new connectors to each respective system. The Town has retained the services of Stantec to calculate updated system development fees for each system in accordance with the North Carolina Public Water and Sewer System Development Fee Act, set forth in North Carolina General Statute 162A, Article 8.

1.2 LEGAL REQUIREMENTS

The Public Water and Sewer System Development Fee Act ("SDF Act") was approved on July 20th, 2017 and grants local government entities that own or operate municipal water and sewer systems the authority to assess system development fees for the provision of utility service to new development.

The SDF Act defines new development as 1) subdivision of land, 2) construction or change to existing structure that increases the number of service units or 3) any use of land which increased the number of service units within 1 year (not longer than 12 months) of a development fee being adopted.

According to the SDF Act the following procedural requirements need to be followed in order to adopt a system development fee:

- **Requirement 1 (NC G.S. 161A – 205):** The fee should be calculated in a written analysis ("SDF Analysis"). The SDF Analysis should (1) be prepared by a financial professional or licensed professional engineer (qualified by experience and training or education) to calculate system development fees for public water and sewer systems; (2) document the facts and data used in the analysis and their sufficiency and reliability; (3) employ generally accepted accounting, engineering, and planning methodologies, including the buy-in , incremental, or combined cost methods for each service setting forth appropriate consideration and selection of a method

appropriate to the circumstances and to meet all of the SDF Act requirements; (4) document and demonstrates reliable application of the methodologies to facts and data underlying each identifiable component of the system development fee; (5) identify all assumptions and limiting conditions affecting that analysis and demonstrate that they do not materially undermine the reliability of the conclusion reached; (6) calculate a system development fee per service unit of new development and include an equivalency or conversion table to use in determining the fees applicable for various categories of demand; (7) cover a planning horizon of between 5 and 20 years; (8) be adopted by resolution or ordinance of the local governmental unit and (9) use the gallons per day per service unit that the local governmental unit applies to its water or sewer system engineering or planning as appropriate in calculating the system development fees.

- **Requirement 2 (NC G.S. 162A-209):** The system development fee analysis must be posted on the local governmental unit's website and a means by which public comments can be solicited / submitted must be provided, for a period of at least 45 days.
- **Requirement 3 (NC G.S. 162A-209):** Comments received from the public must be considered by preparer of the system development fee analysis for possible adjustments to the analysis.
- **Requirement 4 (NC G.S. 162A-209):** The local governmental unit must hold a public hearing prior to considering adoption of the system development fees including any adjustments made as part of the public comments received by that local governmental unit.
- **Requirement 5 (NC G.S. 162A-209):** The system development fee schedule must be published as part of the local governmental unit's annual budget or fee ordinance.
- **Requirement 6 (NC G.S. 162A-207):** The local governmental unit cannot adopt a fee that is higher than the fee calculated by the professional analysis.
- **Requirement 7 (NC G.S. 162A-209):** The system development fee analysis shall be updated at least every five years.

In addition to the procedural requirements listed above, the SDF Act provides specific requirements pertaining to the calculation of the system development fees. These requirements are highlighted within the body of this report in concert with the calculation of the system development fees for the Town. Further, the Town must follow the SDF Act guidance when assessing the system development fee: it may be charged only to "new development" and only at the time specified in the legislation; furthermore, new development must be given a credit for costs in excess of the development's proportionate share of connecting facilities required to be oversized for use of others outside of the development.

1.3 GENERAL METHODOLOGY

There are three primary approaches to the calculation of system development fees, all of which are outlined within the SDF Act. Each of the approaches are discussed below.

Buy-In Method

This approach determines the system development fees solely on the existing utility system assets. The replacement cost of each system's major functional components serves as the cost basis for the system development fee calculation. This approach is most appropriate for a system with ample excess capacity, such that most new connections to the system will be served by that existing excess capacity and the customers are effectively "buying-in" to the existing system, or limited capital improvement program (CIP).

Incremental/Marginal Cost Method

The second approach is to use the portion of each system's multi-year CIP associated with the provision of additional system capacity by functional system component as the cost basis for the system development fee calculation. This approach is most appropriate where 1) the existing system has limited or no excess capacity to accommodate growth, and 2) the CIP contains a significant number of projects that provide additional system capacity for each functional system component representative of the cost of capacity for the entire system.

Combined Cost Method

The third approach is a combination of the two previous approaches described. This approach is most appropriate when 1) there is excess capacity in the current system that will accommodate some growth, but additional capacity is needed in the near-term as reflected in each system's CIP, and 2) the CIP includes a significant number of projects that will provide additional system capacity.

While the SDF Act allows for the use of any one of the three methodologies discussed above, it specifies restrictions on how the revenues generated by the fees calculated using each methodology may be utilized (N.C. GS 162A-211). Table 1-1 summarizes each of the three methodologies, their typical application, and restriction of how the revenues can be utilized for each.

Table 1-1 Description of Methodologies

Approach:	Description:	Fee Proceeds Allowed for:
Buy-In Method	New development shares in <u>capital costs previously incurred</u> which provided capacity for demand arriving with new development needs.	Expansion and/or rehabilitation projects. Since the buy-in method reimburses the system for certain past investments, proceeds can be utilized for all types of capital projects.
Incremental / Marginal Cost	New development shares in <u>capital costs to be incurred in the future</u> which will provide capacity for demand arriving with new development needs.	Professional services costs in development of new fees and expansion costs (construction costs, debt service, capital, land purchase, other costs etc.) related to new development (expansion-related) only. If no capital projects in next five years can be used for debt related to existing assets.

Combined Cost	Combination of Buy-In and Incremental / Marginal Cost methods	May be expended for previously completed capital improvements for which capacity exists and for capital rehabilitation projects.
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Given that the Town has ample capacity within its existing infrastructure to accommodate new development, the methodology chosen for the calculation of the system development fee for each system (Water and Sewer) in this Study is the Buy-in Cost method.

To comply with the SDF Act, the Town will revisit the methodology used as well as the calculation of its system development fees at least every five years.

2. BASIS OF ANALYSIS

The first step in calculating system development fees is to determine the cost of capacity for each major system (Water and Sewer) as described below.

The Net System Value reflects:

- The replacement cost new less depreciation (RCNLD) of the Town's existing major water and sewer system components.
- Exclusion of any non-core system assets such as vehicles, meters, and computer equipment.
- Exclusion of any donated assets and/or assets not funded by the Town (Grants, Developers, etc.).
- Reduction in the form of a credit for each system's outstanding principal on debt.

The following section outlines the details of the analysis completed during the Study to calculate the water and sewer system development fees.

2.1 NET SYSTEM VALUE

The Town provided a detailed asset inventory which included an asset identification number, a description of the asset, cost center, asset type, year placed in service, original cost, net book value and useful life for each water and sewer system asset through FY 2022. These assets were classified by each major system function, and a replacement cost new less depreciation was calculated for each asset record using the data provided by the Town and the Engineering News-Record's Construction Cost Index.

2.1.1 Credits

The SDF Act requires that the system development fee calculations include provisions for credits against the value of the system to account for assets that were not funded by the town and for assets with outstanding debt liabilities. The credits included in the SDF Analysis are discussed below.

Principal on Outstanding Debt.

Once the net system values were identified, an adjustment was then made in the form of a credit for the principal of all outstanding debt that will be recovered in user fees after new customers connect to the water and/or sewer systems. Upon connection to either system, new customers will pay monthly user rates associated with the use of utility service. In addition to systems operating costs, the user rates recover the principal and interest payments associated with the debt incurred to fund the capital costs of each water and sewer system. Therefore, in order to avoid a double recovery of those capital costs in the system development fees and user rates, a credit is provided based on the total principal outstanding on debt for each of the water and sewer systems, respectively.

Donated / Contributed and Grant Funded Assets

Water and sewer system assets that were donated to the Town must be excluded from the system development fee calculation. Furthermore, if assets were fully or partially grant funded, the grant funded portion of those assets has also been excluded from our analysis. As the Town did not incur the cost of purchasing and/or constructing the asset, the Town cannot legitimately include the costs in the system value used to determine the system development fee.

Non-Core Assets

Certain assets such as meters, vehicles, and minor equipment, are considered non-core system assets for purposes of system development fee calculations. As such, these assets were excluded from net system value cost basis.

Table 2-1 presents the calculation of Net System Value for each system.

Table 2-1 Net System Value: Water System

	Water	Sewer
RCNLD	\$590,363,708	\$838,109,946
<i>Less Credits:</i>		
Outstanding Debt Principal	(\$59,624,152)	(\$181,833,246)
Donated / Contributed Assets	(\$150,993,974)	(\$187,705,287)
Non-Core Assets	(\$3,174,059)	(\$4,697,958)
Grants	(\$741,658)	(\$4,058,282)
Apex Contributions ¹	(\$27,262,995)	(\$4,380,602)
Net System Value	\$348,626,871	\$455,434,570

¹ Given that capital improvement work in progress was included in the RCNLD and that a portion of these costs are funded by the Town of Apex, the calculation excludes Apex's portion such that only the portion paid for by that Town of Cary is included in the Net System Value.

2.2 SYSTEM CAPACITY

Once the net system value was determined, the next step was to determine the water and sewer system's capacities stated in terms of equivalent residential units (ERUs). Expressing the system capacities in terms of ERUs allows for the development of the unit pricing of capacity which is essential for the determination of system development fees. The total system capacity divided by the level of service in gallons per day is equal to the total number of ERUs the Town can serve with its existing system capacity.



The Town's water and sewer systems consist of numerous functional components such as water treatment, source of supply, transmission and storage. Each of the functional components have a physical or regulatory permitted capacity. While treatment, supply, and disposal capacities are generally accepted to be either the physical or regulatory permitted capacity of such facilities and are readily available, transmission system capacities are more difficult to quantify.

Therefore, it is common to define the capacity for all functional components (including the transmission facilities) based on the system's total treatment capacity. This approach was utilized for the determination of the system capacities for the Town's utility systems. The rationale behind this decision is that even if the transmission and pumping portion of either system is larger than that system's treatment capacity, the only capacity the system can offer to its users is its total treatment capacity. Table 2-2 summarizes the capacity by function used in the fee calculation for the Town.

Table 2-2 System Capacity by Function

	Water System		Sewer System	
	Source of Supply/ Treatment	Transmission/ Pumping	Treatment/ Disposal	Conveyance/ Pumping
Existing Capacity (MGD)	43.12¹	43.12¹	36.68²	36.68²

¹ Represents the Town of Cary's allocation (77%) of the Cary/Apex Water Treatment Facility expressed as maximum day capacity.

² Represents the Town of Cary's allocation (66%) of Western Wake Reclamation Facility and 100% of both North Cary and South Cary Water Reclamation Facilities expressed as maximum month capacity.

2.2.1 Level of Service Standards

In the evaluation of the capital facility needs for providing water and sewer utility services, it is critical that a Level of Service (LOS) standard be developed. The LOS is an indicator of the extent or degrees of service provided by, or proposed to be provided by a facility, based on and related to the operational characteristics of the facility. Level of service indicates the capacity per unit of demand for each public facility or service. Level of service standards are established to ensure that adequate facility capacity will be provided for future development and for purposes of issuing development permits.

For water and sewer service, the level of service that is commonly used in the industry is the amount of capacity allocable to an ERU expressed as the amount of usage in gallons on an average day, maximum monthly or peak day basis¹. This allocation would generally represent the amount of capacity for which the Town has to make available to an ERU, whether or not such capacity is actually used on an average day basis. As such, the level of service by system used by the Town for planning and engineering purposes is presented in Table 2-3 below:

¹ The maximum day capacity is used as opposed average day to define the capacity needs for a water customer since water treatment plants are designed to meet maximum demands.

Table 2-3 Level of Service by System Component

Water		Sewer	
Source of Supply / Treatment	Transmission / Pumping	Transmission / Pumping	Treatment / Disposal
306 GPD	306 GPD	280 GPD	280 GPD

2.2.2 Equivalent Residential Units

As previously stated, the total system capacity divided by the level of service in gallons per day is equal to the total number of ERUs the Town can serve with its existing system capacity. As such total ERU's by system components are presented in Table 2-4 below.

Table 2-4 Equivalent Residential Units by System Components

	Water System		Sewer System	
	Source of Supply/ Treatment	Transmission / Pumping	Treatment/ Disposal	Conveyance/ Pumping
Equivalent Residential Units (ERU's)	140,915	140,915	131,000	131,000

3. RESULTS

This section summarizes the results of the Study, the calculated system development fees and conclusions and recommendations.

3.1 CALCULATED SYSTEM DEVELOPMENT FEES

To calculate the system development fees, the net asset value for each system described in Section 2 and presented in Table 2-1 of this report was divided by the capacity for system stated in ERUs and presented in Table 2-4 of this report. Table 3-1 presents the water and sewer fees per unit of capacity.

Table 3-1 Development Fee Schedule Unit of Capacity

System	Fee Per ERU ²	Fee Per Gallons Per Day (gpd)
Water	\$2,548	\$8.33
Sewer	\$3,581	\$12.79

Once the system development fees per ERU were determined, the system development fees were scaled for residential and non-residential connections based on the Town's current capacity factors to arrive at the calculated system development fees for each type of connection. The Town currently charges residential water and sewer system development fees by household size and non-residential fees on a basis of usage per 1,000 square feet. Furthermore, the Town defines one ERU as a typical single family home size of between 2,400 square feet and 3,100 square feet in size. Tables 3-2 and 3-3 below present the calculated residential water and sewer fees per household size and compare them to the Town's existing fees (currently in effect) and Tables 3-4 and 3-5 present calculated non-residential water and sewer fees on a gallons per day per 1,000 square feet of space basis and compare them to the Town's existing fees (currently in effect).

Table 3-2 Calculated Residential Water System Development Fees

	Capacity Factors ³	Existing Fee	Calculated Fee	Difference
Single Family < 1,700 Sq. Ft	0.655	\$1,275	\$1,670	\$395
Single Family 1,701 - 2,400 Sq. Ft	0.815	\$1,586	\$2,077	\$491
Single Family 2,401 - 3,100 Sq. Ft	1.000	\$1,946	\$2,548	\$602

² One (1) ERU is equivalent to a single-family residence ranging in size between 2,400 square feet and 3,100 square feet.

³ Reflects the Town of Cary's current capacity factors. To determine the fee per home size, multiply capacity factor and the calculated fee per 1 ERU, \$2,548.

Single Family 3,101 - 3,800 Sq. Ft	1.203	\$2,342	\$3,067	\$725
Single Family > 3,800 Sq. Ft	1.542	\$3,000	\$3,928	\$928
Apartments, per Unit	0.645	\$1,255	\$1,643	\$388
Irrigation (potable water), Per lot	0.643	\$1,252	\$1,639	\$387

Table 3-3 Calculated Residential Sewer System Development Fees

	Capacity Factors ⁴	Existing Fee	Calculated	Difference
Single Family < 1,700 Sq. Ft	0.613	\$1,618	\$2,195	\$577
Single Family 1,701 - 2,400 Sq. Ft	0.858	\$2,266	\$3,074	\$808
Single Family 2,401 - 3,100 Sq. Ft	1.000	\$2,640	\$3,581	\$941
Single Family 3,101 - 3,800 Sq. Ft	1.115	\$2,944	\$3,994	\$1,050
Single Family > 3,800 Sq. Ft	1.419	\$3,745	\$5,080	\$1,335
Apartments, per Unit	0.670	\$1,768	\$2,398	\$630

Table 3-4 Calculated Non-Residential Water System Development Fees Per 1,000 Sq. Ft.

Type of Establishment	Capacity Factors ⁵	Existing Fee	Calculated	Variance
Retail - Large (>80,000 sq. ft.)	33.48	\$181	\$279	\$98
Retail - Medium (20,000-80,000 sq. ft.)	41.25	\$223	\$344	\$121
Retail - Small (<20,000 sq. ft.)	61.97	\$335	\$516	\$181
Laundromat, self service	1,460.16	\$7,893	\$12,160	\$4,267
General/Medical office - Large (>20,000 sq. ft.)	24.97	\$135	\$208	\$73
General/Medical office - Medium (5,000-20,000 sq. ft.)	33.11	\$179	\$276	\$97
General/Medical office - Small (<5,000 sq. ft.)	49.58	\$268	\$413	\$145
Country club	95.09	\$514	\$792	\$278
Industrial, factory	40.70	\$220	\$339	\$119
Drug store	15.17	\$82	\$126	\$44
Warehouse	15.54	\$84	\$129	\$45
Mini-Warehouse	1.48	\$8	\$12	\$4
Church, Worship Center	24.97	\$135	\$208	\$73
Full service restaurant	560.72	\$3,031	\$4,669	\$1,638
Single service item restaurant	146.15	\$790	\$1,217	\$427
Carry out restaurant	24.97	\$135	\$208	\$73

⁴ Reflects the Town of Cary's current capacity factors. To determine the fee per home size, multiply capacity factor and the calculated fee per 1 ERU, \$3,581.

⁵ Reflects the Town of Cary's current capacity factors. To determine the fee per 1,000 square feet, multiply capacity factor and the calculated fee per 1 ERU in gallons per day, \$2,548 / 306, \$8.33.

Hotel, motel	147.26	\$796	\$1,226	\$430
Brewery / Winery / Cidery / Distillery / Meadery	369.62	\$1,998	\$3,078	\$1,080
Laundry, not self service	355.75	\$1,923	\$2,962	\$1,039
Veterinary hospital, boarding, kennel	79.55	\$430	\$662	\$232
Hospital	265.10	\$1,433	\$2,208	\$775
Nursing home	219.40	\$1,186	\$1,827	\$641
Day care or school	114.51	\$619	\$954	\$335
Recreation, with pool	757.18	\$4,093	\$6,305	\$2,212
Recreation, no pool	94.35	\$510	\$786	\$276
Gas station, no car wash	60.68	\$328	\$505	\$177
Gas station with car wash	1,713.98	\$9,265	\$14,273	\$5,008
Full or self-service car wash	786.60	\$4,252	\$6,550	\$2,298
Stadia, auditoriums, theatres	57.35	\$310	\$478	\$168
Potable Water Irrigation	176.86	\$956	\$1,473	\$517
Cooling Tower (Per Gallon / Per Day)		\$5.41	\$8.33	\$2.92

Table 3-5 Calculated Non-Residential Sewer System Development Fees Per 1,000 Sq. Ft.

Type of Establishment	Capacity Factors ⁶	Existing Fee	Calculated	Variance
Retail - Large (>80,000 sq. ft.)	31.2	\$250	\$399	\$149
Retail - Medium (20,000-80,000 sq. ft.)	38.4	\$308	\$492	\$184
Retail - Small (<20,000 sq. ft.)	57.6	\$462	\$737	\$275
Laundromat, self service	1,358.4	\$10,887	\$17,375	\$6,488
General/Medical office - Large (>20,000 sq. ft.)	23.2	\$186	\$297	\$111
General/Medical office - Medium (5,000-20,000 sq. ft.)	30.8	\$247	\$394	\$147
General/Medical office - Small (<5,000 sq. ft.)	46	\$369	\$589	\$220
Country club	88.6	\$710	\$1,133	\$423
Industrial, factory	23.8	\$191	\$305	\$114
Drug store	14.2	\$114	\$182	\$68
Warehouse	14.5	\$116	\$185	\$69
Mini-Warehouse	1.4	\$11	\$18	\$7
Church, Worship Center	23.2	\$186	\$297	\$111
Full service restaurant	521.6	\$4,180	\$6,671	\$2,491

⁶ Reflects the Town of Cary's current capacity factors. To determine the fee per 1,000 square feet, multiply capacity factor and the calculated fee per 1 ERU in gallons per day, \$3,581 / 280, \$12.79.

Single service item restaurant	135.9	\$1,089	\$1,738	\$649
Carry out restaurant	23.2	\$186	\$297	\$111
Hotel, motel	136.6	\$1,095	\$1,748	\$653
Brewery / Winery / Cidery / Distillery / Meadery	356.2	\$2,756	\$4,398	\$1,642
Laundry, not self service	343.9	\$2,652	\$4,232	\$1,580
Veterinary hospital, boarding, kennel	74	\$593	\$946	\$353
Hospital	246.6	\$1,976	\$3,154	\$1,178
Nursing home	204	\$1,635	\$2,609	\$974
Day care or school	106.4	\$853	\$1,361	\$508
Recreation, with pool	704.5	\$5,646	\$9,011	\$3,365
Recreation, no pool	87.7	\$703	\$1,122	\$419
Gas station, no car wash	56.5	\$453	\$723	\$270
Gas station with car wash	1,594.5	\$12,779	\$20,395	\$7,616
Full or self-service car wash	731.7	\$5,864	\$9,359	\$3,495
Stadia, auditoriums, theatres	53.4	\$428	\$683	\$255
Cooling Tower (Per Gallon / Per Day)		\$7.74	\$12.79	\$5.05

It is important to note that the Town has discretion regarding the percentage of cost recovery utilized in the establishment of the system development fees. The system development fees can recover any amount up to but not in excess of the full cost recovery amounts identified by the system development fee analysis which supports those fees.

3.2 CONCLUSIONS AND RECOMMENDATIONS

Based upon the analysis presented herein, we have developed the following conclusions and recommendations:

- We recommend that the Town adopt the calculated water and sewer system development fees as presented in Tables 3-2, 3-3, 3-4 and 3-5. This includes the application of water and sewer system development fees based on usage per 1,000 square feet for non-residential customers and based on usage by household size for residential customers consistent with the Town's current practices for assessing the fees.
- We recommend that the Town review its development fees at least every five years to ensure that it follows requirements established by the SDF Act and to ensure that they remain fair and equitable and continue to reflect its current cost of capacity. As the Town continues to expand its facilities, future changes in technology, demands, development patterns, or other factors may necessitate additional adjustments to its development fees.

- We recommend that as part of any system development fee update, the Town also evaluates the most appropriate accepted methodology for calculating its system unit cost of capacity as system capacity may change over time.

Disclaimer

This document was produced by Stantec Consulting Services, Inc. ("Stantec") for the Town of Cary and is based on a specific scope agreed upon by both parties. Stantec's scope of work and services do not include serving as a "municipal advisor" for purposes of the registration requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission. Stantec is not advising the Town, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, terms, or other similar matters concerning such products or issuances.

In preparing this report, Stantec utilized information and data obtained from the Town or public and/or industry sources. Stantec has relied on the information and data without independent verification, except only to the extent such verification is expressly described in this document. Any projections of future conditions presented in the document are not intended as predictions, as there may be differences between forecasted and actual results, and those differences may be material.

Additionally, the purpose of this document is to summarize Stantec's analysis and findings related to this project, and it is not intended to address all aspects that may surround the subject area. Therefore, this document may have limitations, assumptions, or reliance on data that are not readily apparent on the face of it. Moreover, the reader should understand that Stantec was called on to provide judgments on a variety of critical factors which are incapable of precise measurement. As such, the use of this document and its findings by the Town should only occur after consultation with Stantec, and any use of this document and findings by any other person is done so entirely at their own risk.

APPENDIX: SUPPORTING SCHEDULES

Schedule 1 Existing Asset Allocation to System and System Components

Schedule 2 Debt Allocation to System

Schedule 3 Water System Development Fee Calculation

Schedule 4 Sewer System Development Fee Calculation